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Attorneys for Baptist Foundation of Arizona, Inc.
and certain subsidiaries

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:	)	In Proceedings Under Chapter 11
)	
BAPTIST FOUNDATION OF ARIZONA, an	)	Case Nos. 99-13275-ECF-GBN through 99-
Arizona nonprofit 501(c)(3) corporation, and	)	13364-ECF-GBN
related proceedings,)	
	)	All Cases Jointly Administered Under Case
Debtors.	)	No. 99-13275-ECF-GBN
)	
	)	DEBTORS' OMNIBUS OBJECTION TO
	)	PROOFS OF CLAIM SUBMITTED BY
	)	INVESTORS OF BAPTIST FOUNDATION
	)	OF ARIZONA, ARIZONA SOUTHERN
	)	BAPTIST NEW CHURCH VENTURES AND
	)	CHRISTIAN FINANCIAL PARTNERS, INC.
)	
)	

Pursuant to Rule 3007 of the Bankruptcy Rules of Procedure and Section 502(a) of the Bankruptcy Code, Debtor and Debtor-in-Possession, Baptist Foundation of Arizona, Inc. (and certain of its affiliates and subsidiaries, who also may be co-debtors, as applicable; collectively “Debtors”), submits the following omnibus objection to the proofs of claim filed by all investors who purchased one or more investment products with Baptist Foundation of Arizona, Inc.

("BFA"), Arizona Southern Baptist New Church Ventures ("NCV") and/or Christian Financial Partners, Inc. ("CFPI") ("Investors").

Prior to the bankruptcy, BFA, NCV and CFPI (collectively "The BFA Group") issued various securities to approximately 14,000 Investors. Investors invested in one or more of the following investments of the BFA Group: BFA Peak Performance Collateral Notes, BFA Maximum Value Performance Notes, BFA Mortgage Backed Notes, BFA Easy Access Investment Agreements, BFA Investment Agreements, BFA Acceler-A-Rate Investment Agreements, NCV Investment Agreements, NCV Mortgage Backed Notes, CFPI Mortgage Backed Notes, CFPI Investment Agreements, CFPI Cash Investment Fund, CFPI Education Investment Agreements, CFPI Maximum Value Performance Notes and CFPI 18-Month Investment Agreements. Some of these investments purported to be collateralized by various assets, while other investments were unsecured.

After Debtors filed their Chapter 11 Petition, Debtors notified Investors of the amount Debtors believe is owed to Investors ("Debtors' Calculation"). Debtors notified Investors that they did not need to file a proof of claim if they agreed with Debtors' Calculation.

In response to Debtors' Calculation, over six hundred proofs of claim from Investors have been received. Approximately three hundred proofs of claim that were filed agree with Debtors' Calculation. The other approximately three hundred proofs of claim that were filed disagree with Debtors' Calculation. Of those proofs of claims disagreeing with Debtors' Calculation, approximately half seek an amount less than Debtors' calculation. The other half seek amounts greater than Debtors' Calculation, with some seeking consequential, special or punitive damages on a variety of legal theories.

Debtors object to any Investor proof of claim to the extent that the claimed amount of investment is inconsistent with Debtors' Calculation, regardless of whether that amount is greater or less than Debtors' Calculation. Debtors accurately calculated the amounts owing to each Investor, including interest, and have not been persuaded otherwise by any proof of claim.¹

Debtors also object to any Investor classifying its claim as anything other than an "Investor Claim." For example, some Investors characterized their claim as, among other things, a "Priority Claim," An "Unsecured Claim Other than an Investor Claim," or a "Secured Claim Other than an Investor Claim." BFA objects to such characterizations regardless of whether Investors' Calculation differs from Debtors' Calculation.

Debtors also object to any Investor Proof of Claim seeking consequential, special, punitive or other damages separate and apart from the amount of their investment. Investors have not provided prima facie evidence of such damages, and will not be able to satisfy their burden of proof as to such damages. See In Re Holm, 931 F.2d 620, 623 (9th Cir. 1991) (holding that "the ultimate burden of persuasion is always on the claimant"). In addition, Debtors object to any such claim for damages as unforeseeable, speculative, and/or not allowed under applicable law. Moreover, assuming, arguendo, that such consequential, special, punitive or other damages apart from the amount of Investors' investment is proven and permitted under the law, Debtors contend that potentially responsible third parties are liable for such damages.²

The attached spreadsheet lists each Investor proof of claim filed according to available records. The spreadsheet identifies those that are inconsistent with Debtors' Calculation and

¹ In some instances the Debtors' Calculation reflects that \$0 is owed to the Investor. Such a calculation does not necessarily reflect the position that Debtors do not believe that any money is owed to the Investor, but rather, that the Investor mischaracterized the claim, asserted the claim against the wrong entity, lacked standing to assert the claim, or otherwise failed to correctly classify and/or maintain the claim.

² In the event of conflict between this Omnibus Objection and any specific objection filed by Debtors against a claimant, the specific objection shall prevail.

characterization of the claim. The spreadsheet also sets forth Debtors' Calculation. Debtors reserve the right to object to any other Investor proof of claim filed in this action currently unknown to Debtors and not included on the attached spreadsheet.

RESPECTFULLY SUBMITTED this 7th day of November, 2000.

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By: /s/ Craig D. Hansen

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